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中国风电集团有限公司*
China WindPower Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 182)

DISCLOSEABLE TRANSACTION
ADDITIONAL FINANCE LEASE

On 10 September 2014, the Lessee and Tianjin Century gave notice to the Lessor to enter into the Additional Finance Lease. Pursuant to the Additional Finance Lease under the Finance Lease Agreement, subject to the terms and conditions therein, (i) the Lessor will purchase certain Equipment from the Group amounting to a consideration of RMB500 million (equivalent to approximately HK\$630 million); and (ii) the Lessor will lease such Equipment back to the Lessee for a term of 10 years at an aggregate lease consideration of approximately RMB587.1 million (equivalent to approximately HK\$739.7 million).

The Additional Finance Lease (including the transactions contemplated under the Other Agreements) constitutes a discloseable transaction of the Company under the Listing Rules and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 20 August 2014 (the “Announcement”) in respect of the Initial Finance Lease under the Finance Lease Agreement. Capitalised terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise.

* *For identification purposes only*

THE FINANCE LEASE AGREEMENT

Date: 20 August 2014

Parties: Lessee: Yulin Century Concord Ecological New Energy Co., Ltd. (榆林協合生態新能源有限公司), a wholly-owned subsidiary of the Company, which is principally engaged in solar power investment and operation in the PRC

Tianjin Century, a wholly-owned subsidiary of the Company, which is principally engaged in the sales of wind power equipment and new energy equipment, and will supply the Equipment

Lessor: ICBC Financial Leasing Co., Ltd. (工銀金融租賃有限公司), which is principally engaged in the business of finance lease. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Lessor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons

Additional Finance Lease

Pursuant to the Finance Lease Agreement, the Lessee may by way of giving notice to the Lessor to enter into the Additional Finance Lease under which (i) the Lessor will purchase additional Equipment from the Group amounting to a consideration up to RMB500 million (equivalent to approximately HK\$630 million); and (ii) the Lessor will lease such additional Equipment back to the Lessee for a term of 10 years amounting to an aggregate lease to be determined based on, among others, the Lessor's purchase cost of such additional equipment and the then prevailing market interest rate.

On 10 September 2014, the Lessee and Tianjin Century gave notice to the Lessor to enter into the Additional Finance Lease. Pursuant to the Additional Finance Lease under the Finance Lease Agreement, subject to the terms and conditions therein, (i) the Lessor will purchase certain Equipment from the Group amounting to a consideration of RMB500 million (equivalent to approximately HK\$630 million); and (ii) the Lessor will lease such Equipment back to the Lessee for a term of 10 years (which is expected to commence from around September 2014) at an aggregate lease consideration of approximately RMB587.1 million (equivalent to approximately HK\$739.7 million), to be payable in 40 quarterly installments which is expected to commence from around December 2014. The aggregate lease consideration of approximately RMB587.1 million (equivalent to approximately HK\$739.7 million) was determined after arm's length negotiation between the Lessor and the Lessee with reference to, among other things, the Lessor's purchase cost of the Equipment and the below interest rate.

The Equipment comprises certain machinery and equipment for the operation of the solar energy project of the Lessee located at Shaanxi Province (陝西省), the PRC, with a total installed capacity of 200 Megawatts, and such solar energy project is the Group's current largest solar power project.

Interest rate

The interest rate under the Finance Lease Agreement is calculated on the basis of 6.55% being the benchmark lending rate announced by the People's Bank of China for loans with a term of over 5 years.

The interest payment (forming part of the lease consideration) under the Additional Finance Lease shall be paid in 40 quarterly installments which is expected to commence from around December 2014.

During the lease term, if there is any adjustment on benchmark lending rate announced by the People's Bank of China for loans with a term of over 5 years, corresponding adjustment will be made to the interest rate under the Finance Lease Agreement on the first day of the forthcoming month.

The terms and the consideration under the Finance Lease Agreement including the lease payment and the interest rate have been agreed after arm's length negotiation between the parties with reference to the prevailing market practice.

Ownership of the Equipment

Although the selection of the Equipment will be at the sole discretion of the Lessee, the legal ownership of the Equipment belongs to the Lessor during the lease period. Upon the end of the lease period, the Lessee is eligible to purchase the Equipment at a nominal consideration of RMB1 provided that the Lessee has fulfilled all of its obligations under the Finance Lease Agreement including the full payment of the lease and interest payment and all other expenses as described in the Finance Lease Agreement.

Early Purchase of the Equipment

The Lessee is eligible to purchase the Equipment at a date (the "Early Purchase Date") before the end of the lease term by serving a 30 business days' prior written notice to the Lessor (and after obtaining the written consent from the Lessor) at a consideration being the sum of (i) all outstanding unpaid pre-lease interest/lease payment and interest payment up to the Early Purchase Date; (ii) all the unpaid Lessor's purchase cost of the Equipment; (iii) the Early Purchase Fee (note); (iv) value-added tax payable and all other expenses as a result of the early purchase of the Equipment; and (v) the nominal consideration of RMB1.00.

Note: the Early Purchase Fee will be calculated according to the schedule below:

Early Purchase Date

within the first three years of the lease term

from the third year to the fifth year of the lease term

from the fifth year to the end of the lease term

Early Purchase Fee

3% on all the unpaid Lessor's purchase cost of the Equipment

2% on all the unpaid Lessor's purchase cost of the Equipment

1% on all the unpaid Lessor's purchase cost of the Equipment

OTHER AGREEMENTS

In connection with the Finance Lease Agreement, on 20 August 2014, (i) the Share Pledge Agreement was entered into between Yinhua and the Lessor; (ii) the Accounts Receivable Security Agreement was entered into between the Lessor and the Lessee; and (iii) the Repurchase Agreements were entered into between (a) the Lessor and Century Concord; and (b) the Lessor and the Company. The Other Agreements form part of the Finance Lease Agreement and the obligations of the Lessee under the Additional Finance Lease shall be secured/governed by the terms of the Other Agreements. Details of the Other Agreements were set out in the Announcement.

REASONS FOR AND BENEFIT OF THE TRANSACTIONS

The Company is principally engaged in (i) the wind power sector, investing in various wind farm projects and providing wind power engineering and construction services in the PRC; and (ii) solar energy investments and operations. The Lessee is principally engaged in the solar power plant investment and operation in the PRC.

The Directors are of the view that under the Additional Finance Lease, the Group will obtain financing from the Equipment and gain access to the use of the certain Equipment. The terms under the Additional Finance Lease, the Share Pledge Agreement, the Accounts Receivable Security Agreement and the Repurchase Agreements have been agreed after arm's length negotiation between the relevant parties with reference to the prevailing market practice. The Directors consider the terms of the Additional Finance Lease and the Other Agreements are on normal commercial terms, fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

The Initial Finance Lease and the Additional Finance Lease are entered into within a 12-month period. Under Rule 14.22 of the Listing Rules, the Initial Finance Lease and the Additional Finance Lease have to be aggregated and treated as if they were one transaction.

All the relevant percentage ratios of the Initial Finance Lease and the Additional Finance Lease on an aggregate basis are less than 25%. The Additional Finance Lease (including the transactions contemplated under the Other Agreements) constitutes a discloseable transaction of the Company under the Listing Rules and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

For illustration purpose of this announcement, the exchange rate of RMB1=HK\$1.26.

By order of the Board
CHINA WINDPOWER GROUP LIMITED
Liu Shunxing
Chairman

10 September 2014, Hong Kong

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Mr. Ko Chun Shun, Johnson (Vice Chairman), Mr. Yang Zhifeng (Chief Executive Officer), Mr. Wang Xun, Ms. Liu Jianhong, Mr. Yu Weizhou, Mr. Zhou Zhizhong and Ms. Ko Wing Yan, Samantha (who are executive Directors), and Dr. Wong Yau Kar, David, BBS, JP, Mr. Yap Fat Suan, Henry, Dr. Shang Li and Ms Huang Jian (who are independent non-executive Directors).